

# Economic And Demographic Changes In The West

## Scoping Of Energy Efficiency In The WRAP Region

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State Planning Coordinator, Utah

May 31, 2000

# Forces Shaping the Future

Changing Political and Economic Institutions

Increasing Ethnic Diversity

**Growth**

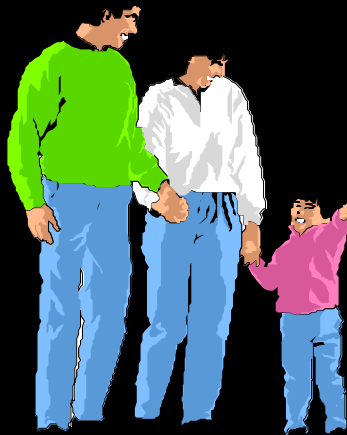
Globalization

Technology

Third Wave

**Urbanization**

Entrepreneurial Spirit



Aging

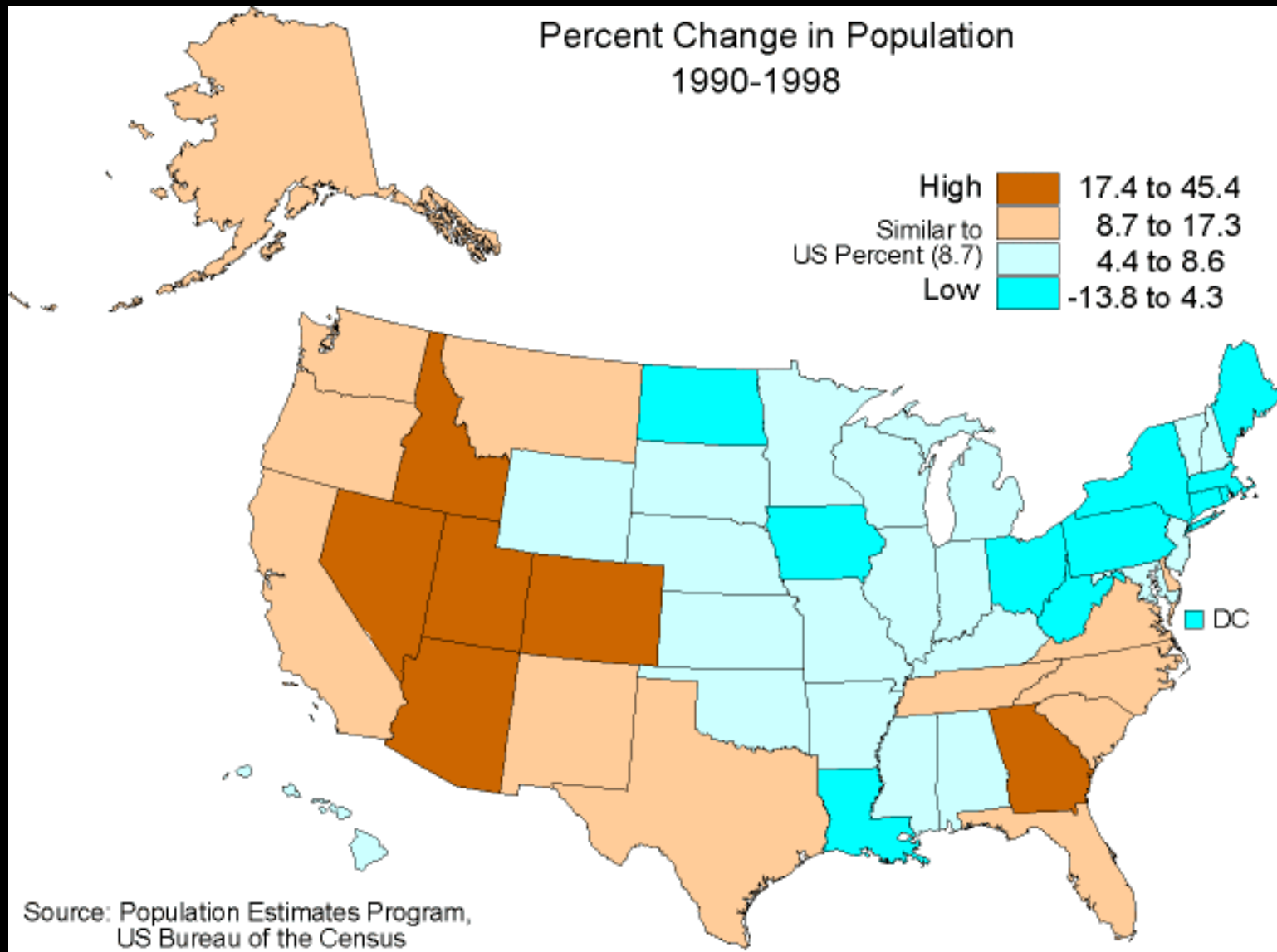
Increasing Life Expectancy

Status of Women

Changing Household Composition

Rising Standards of Living

# *Utah is Right in the Center of the Nation's Fastest Growing Area*

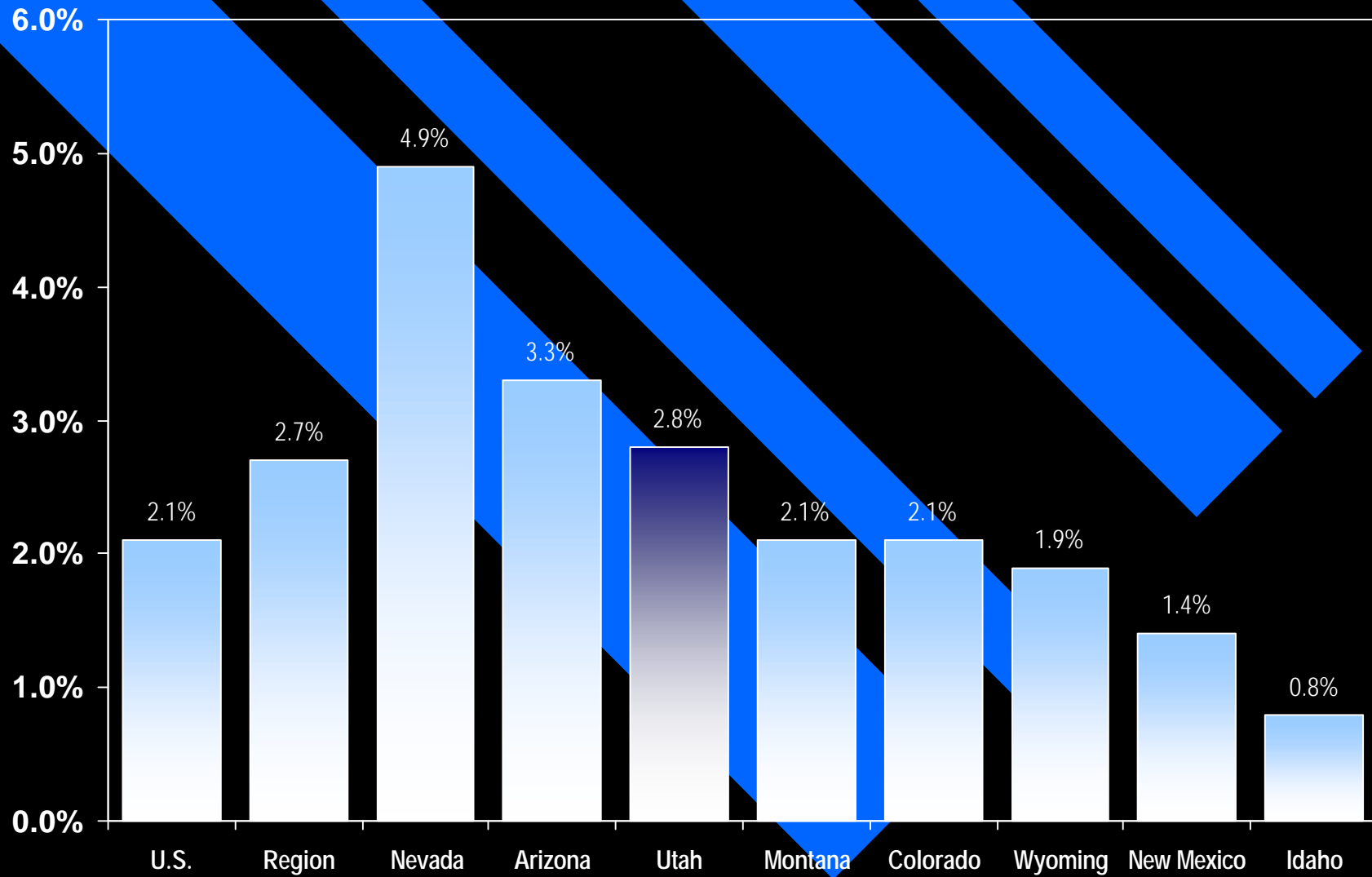


## Job Growth Rates by State: 1998



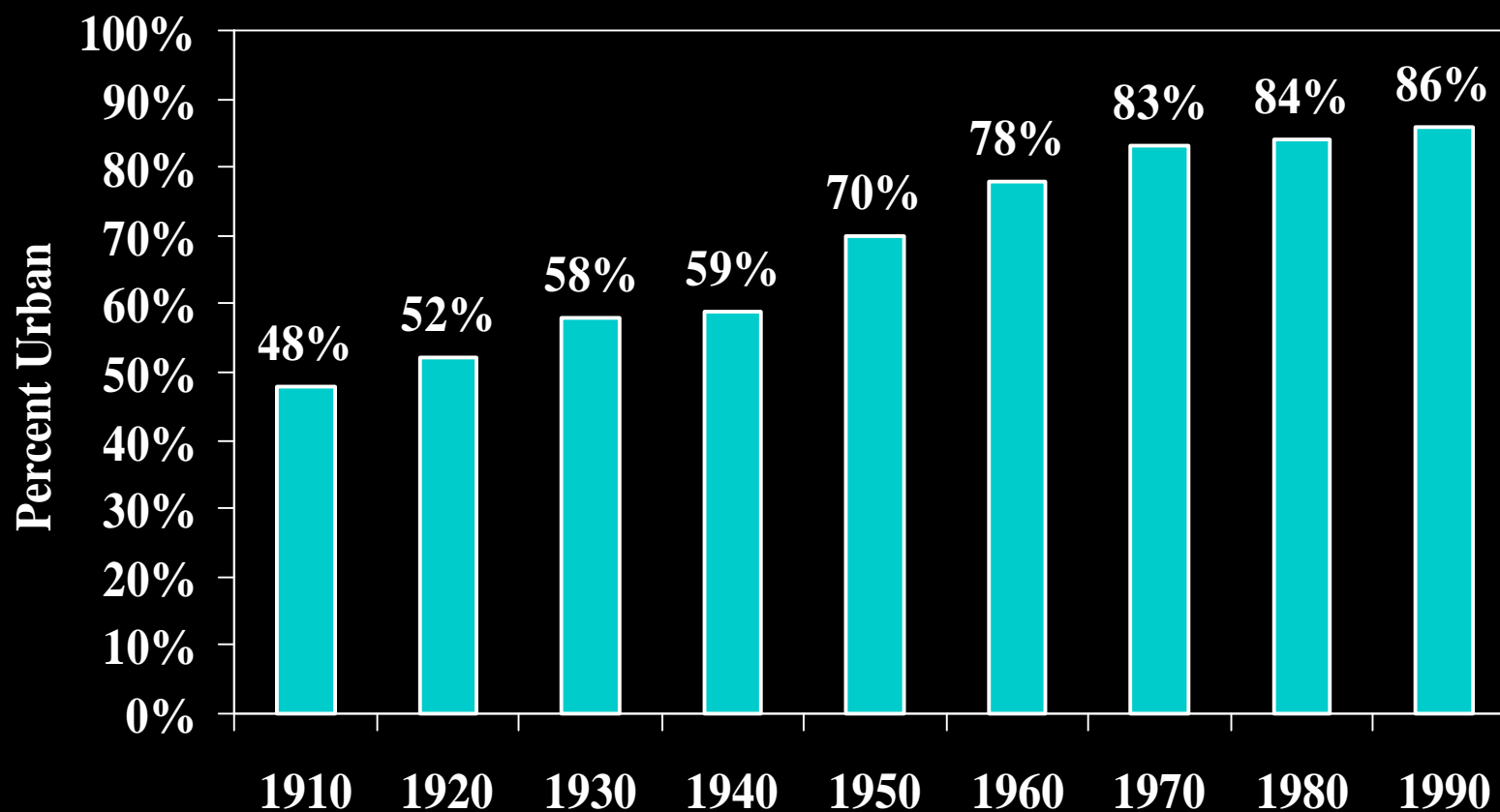
**Source: Bureau of Labor Statistics**

## Nonagricultural Employment Growth: November 1998 to November 1999



Source: U.S. Bureau of Labor Statistics

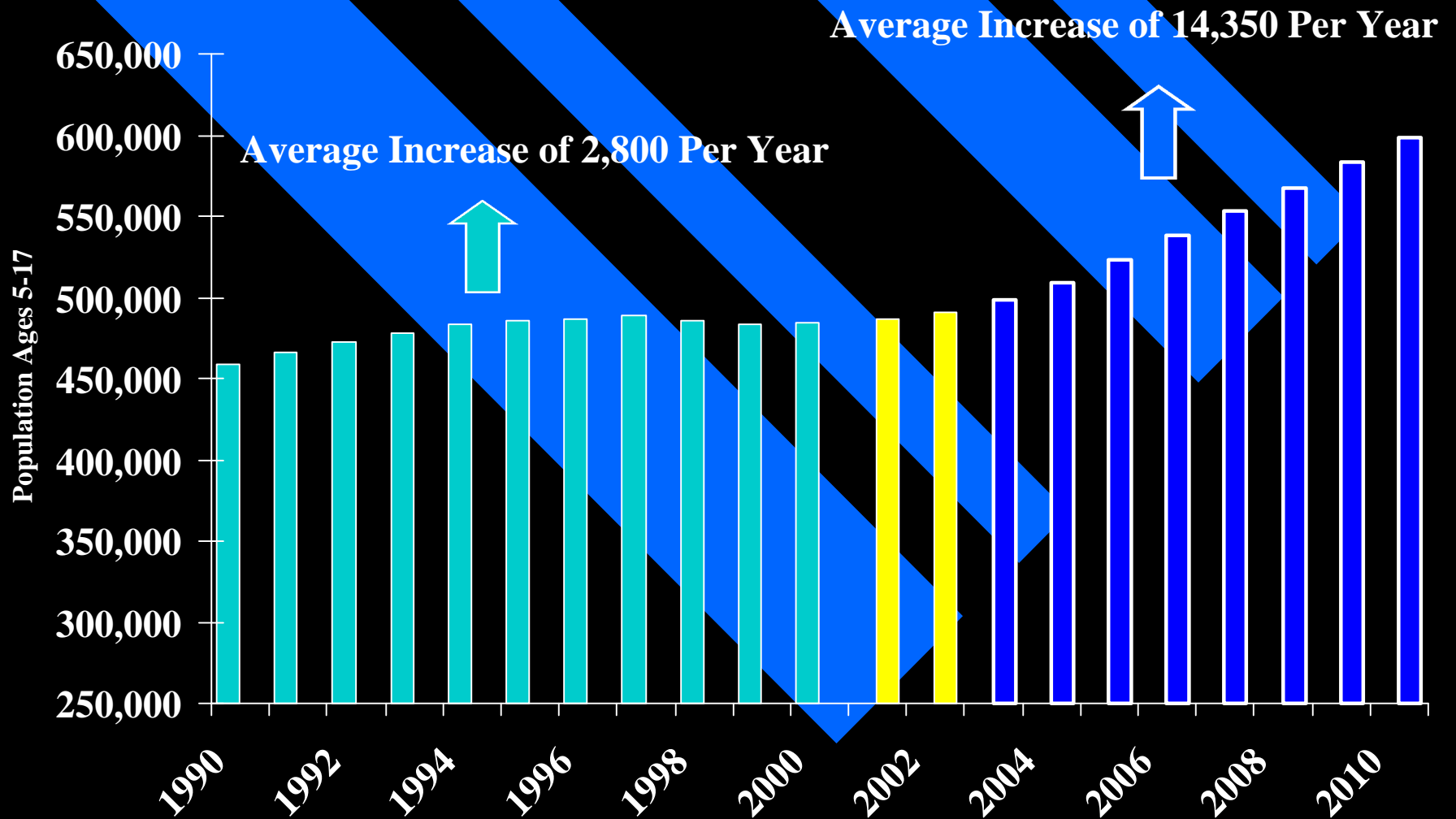
# The West is Becoming Increasingly More Urban



Source: U.S. Bureau of the Census

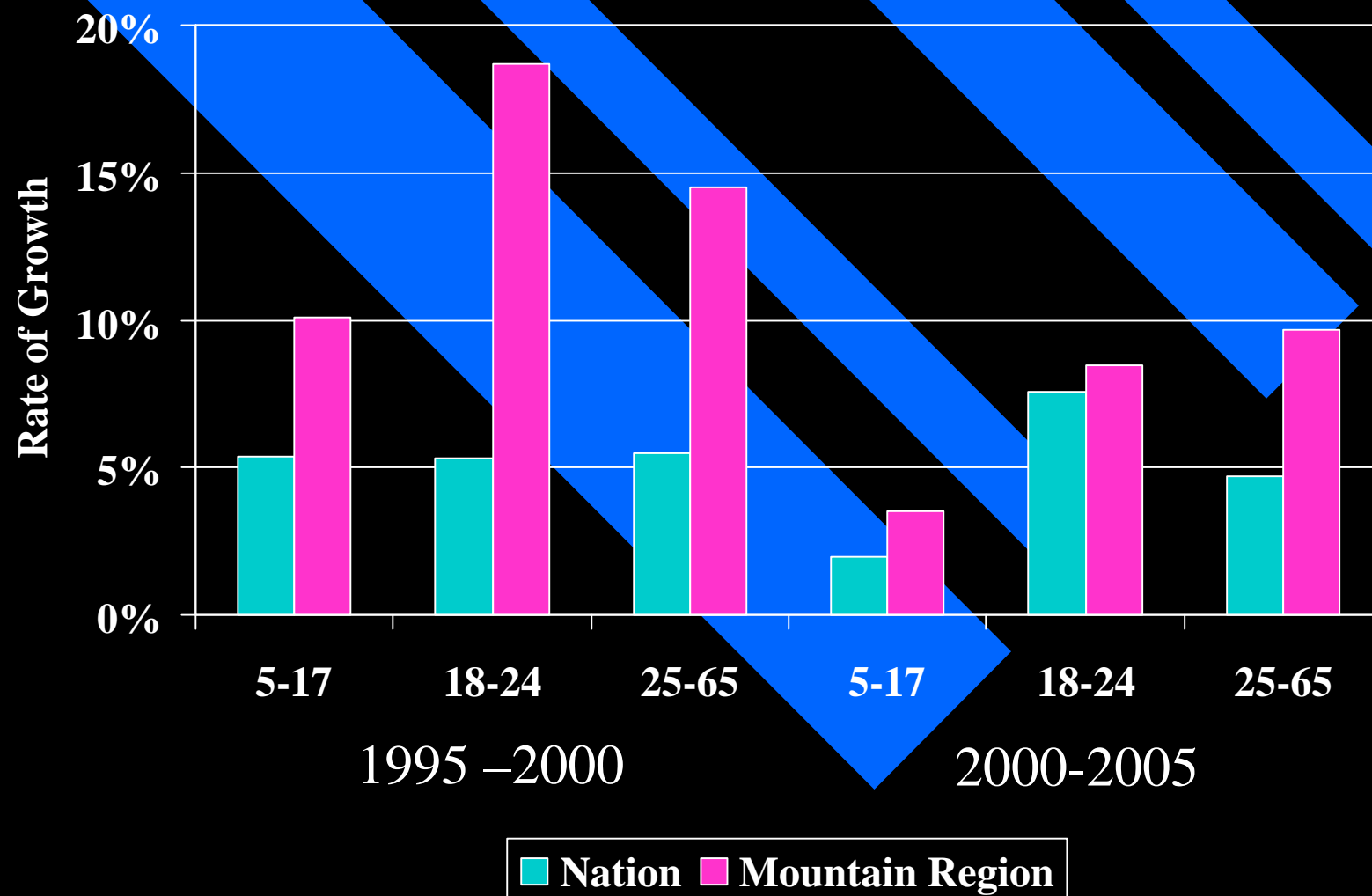
# Utah School Age Population

(Two-Thirds More Students In Half The Time)



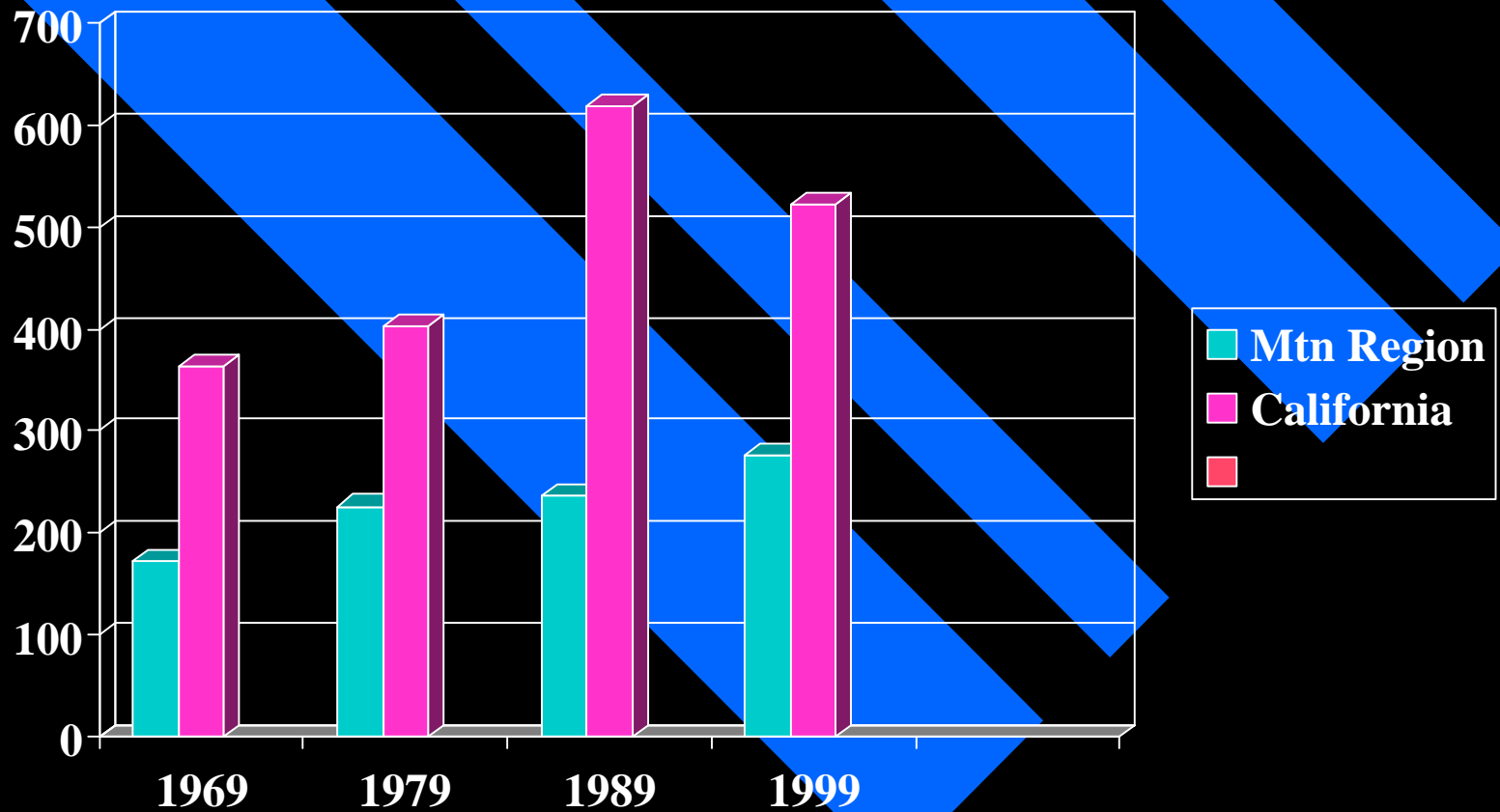
# Growth Rates For Selected Age Groups

## US vs. Mountain Division States

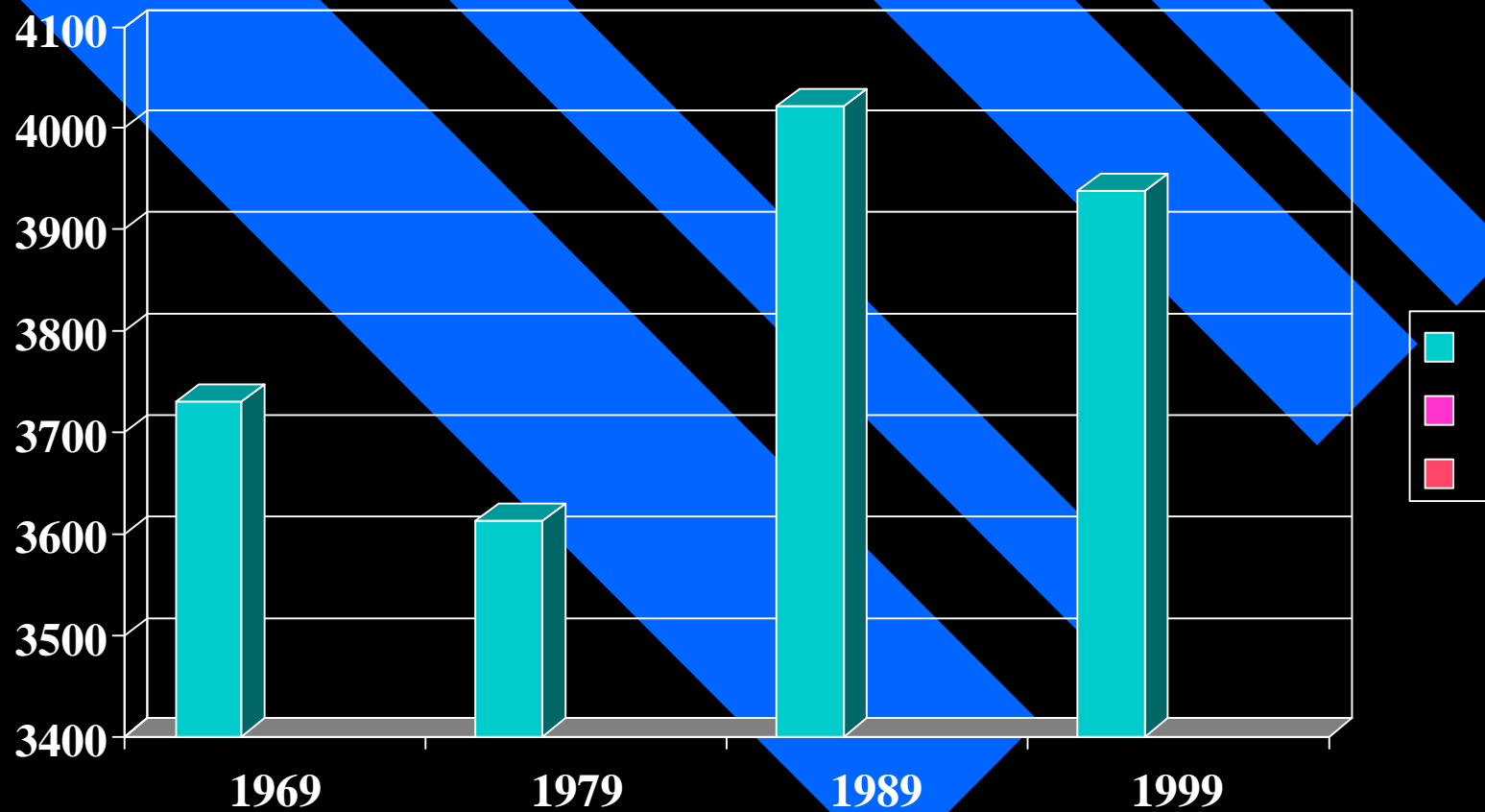




# Births in the West



# Births in the US



# Urban/Rural Conundrum

## ■ Will future migration patterns be from urban to rural or rural to urban?

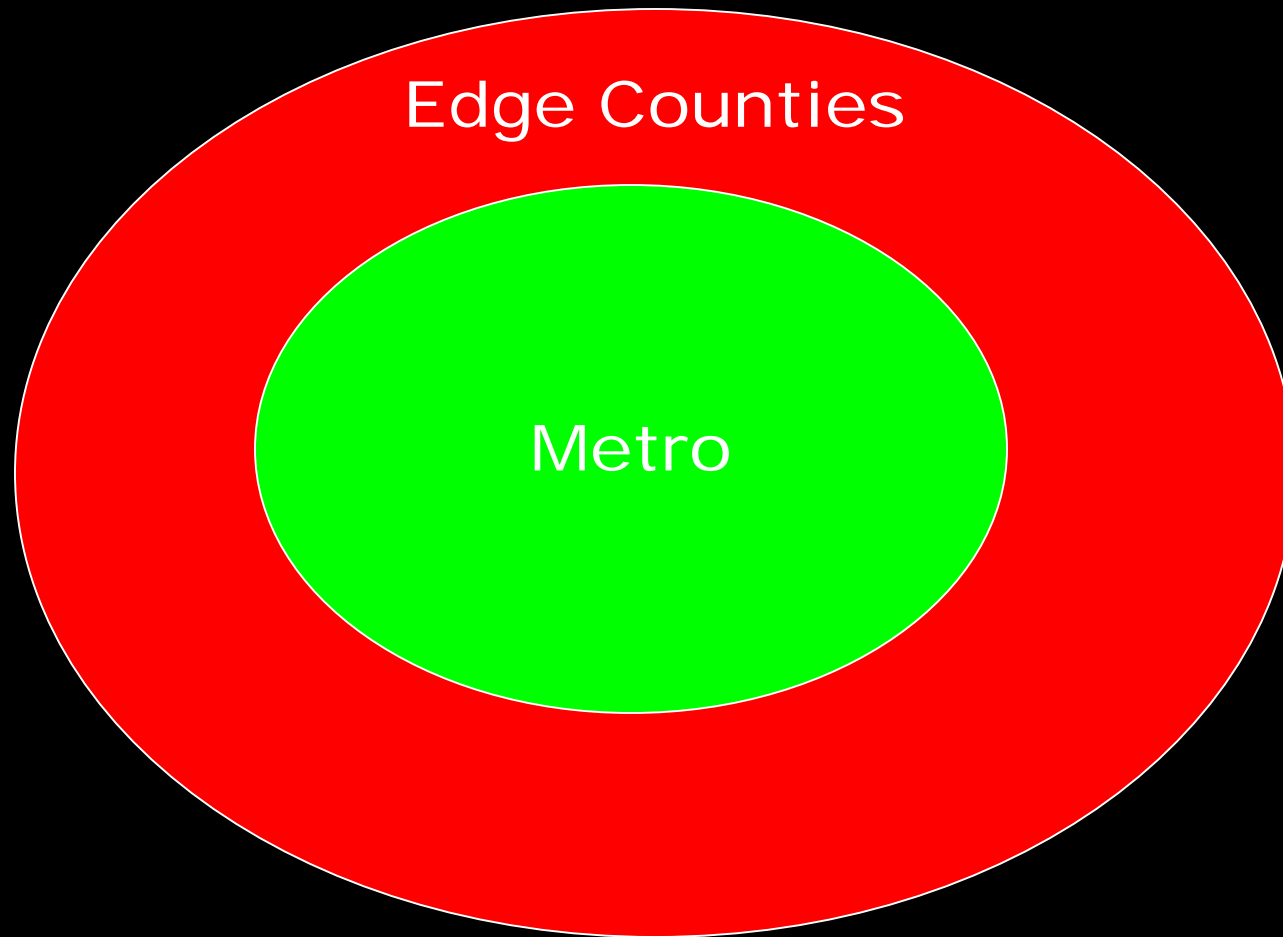
### – **Urban to Rural**

- » Movement back to small towns (security and control)
- » Movement to mild and wild places (outdoor recreation)
- » Telecommuting, teleconferencing, telecomputing
- » Increased affluence
- » Aging population and retiree migration

### – **Rural to Urban**

- » Mechanization of extractive industries
- » Urban demand for water and its impact on agricultural capacity
- » Welfare reform eliminates important subsidy
- » Tourism too seasonal and low income to support year round growth

# Expect Rapid Growth in Edge Counties



# Growth Issues

- **Rapid population and economic growth**
- **Treasured quality of life**
- **Spectacular natural environment**
- **Planning for the next million people**
  - **Congestion**
  - **Water Supply**
  - **Air Quality**
  - **Infrastructure Costs**
  - **Critical Lands**
  - **Multiple Jurisdictions**



**“Growth will be the  
dominant issue in our  
state over the next decade  
and beyond.”**

**Governor Mike Leavitt  
State-of-State Address  
January 16, 1995**

# Challenges of Urbanization



- **Crime**
- **Pollution**
- **Congestion**
- **Deteriorating Infrastructure**
- **Poverty**
- **Declining Tax Bases**

# The New Economic Environment

- Increasing globalization
- More intense competition
- Accelerating pace of technological change



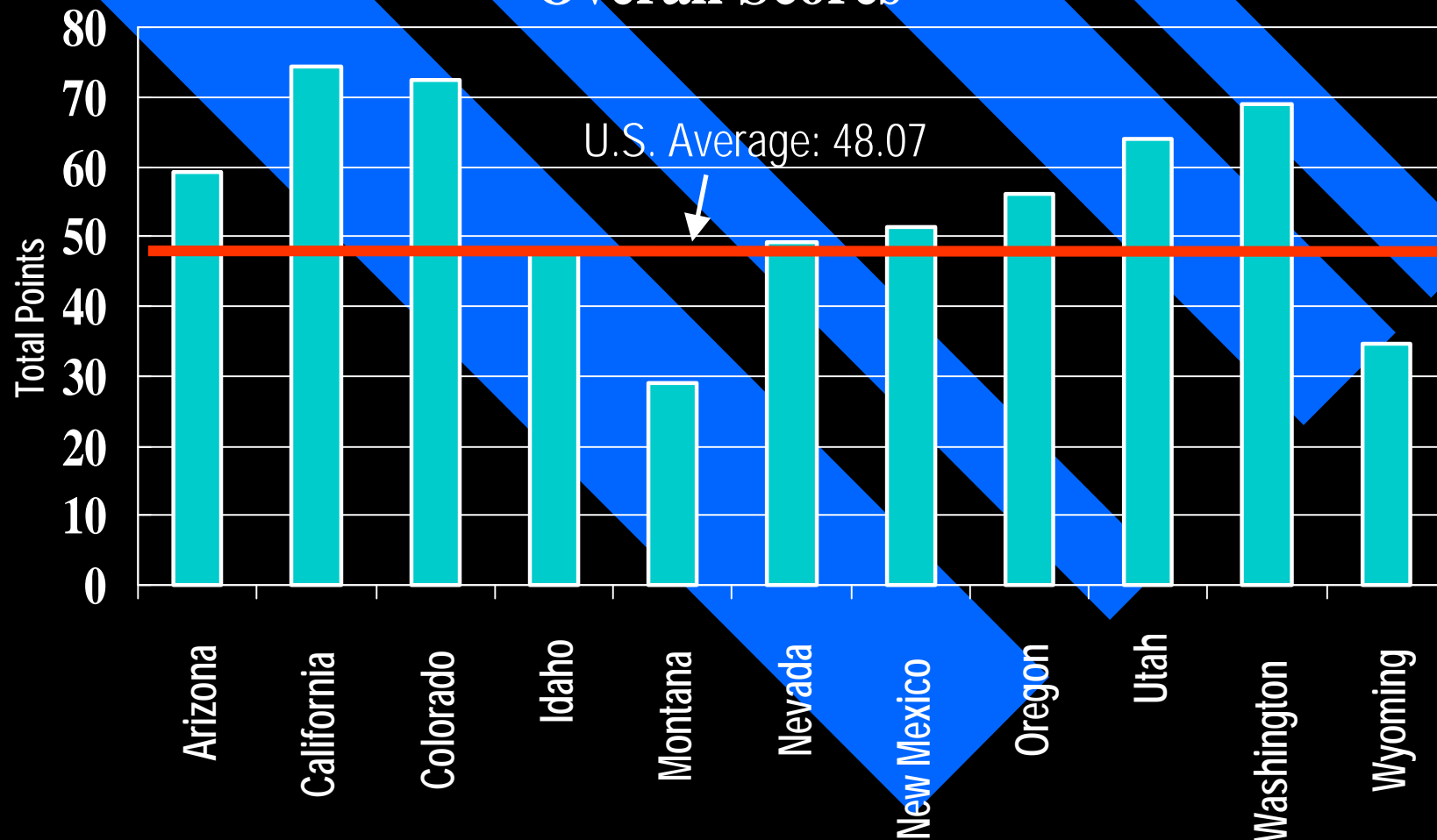
# Five Key Strategies To Be Successful In The New Economy

- Co-invest in the skills of the workforce
- Co-invest in an infrastructure for innovation
- Foster the transformation to a digital economy
- Promote innovation and customer-oriented government
- Foster civic collaboration

Source: The Progressive Policy Institute

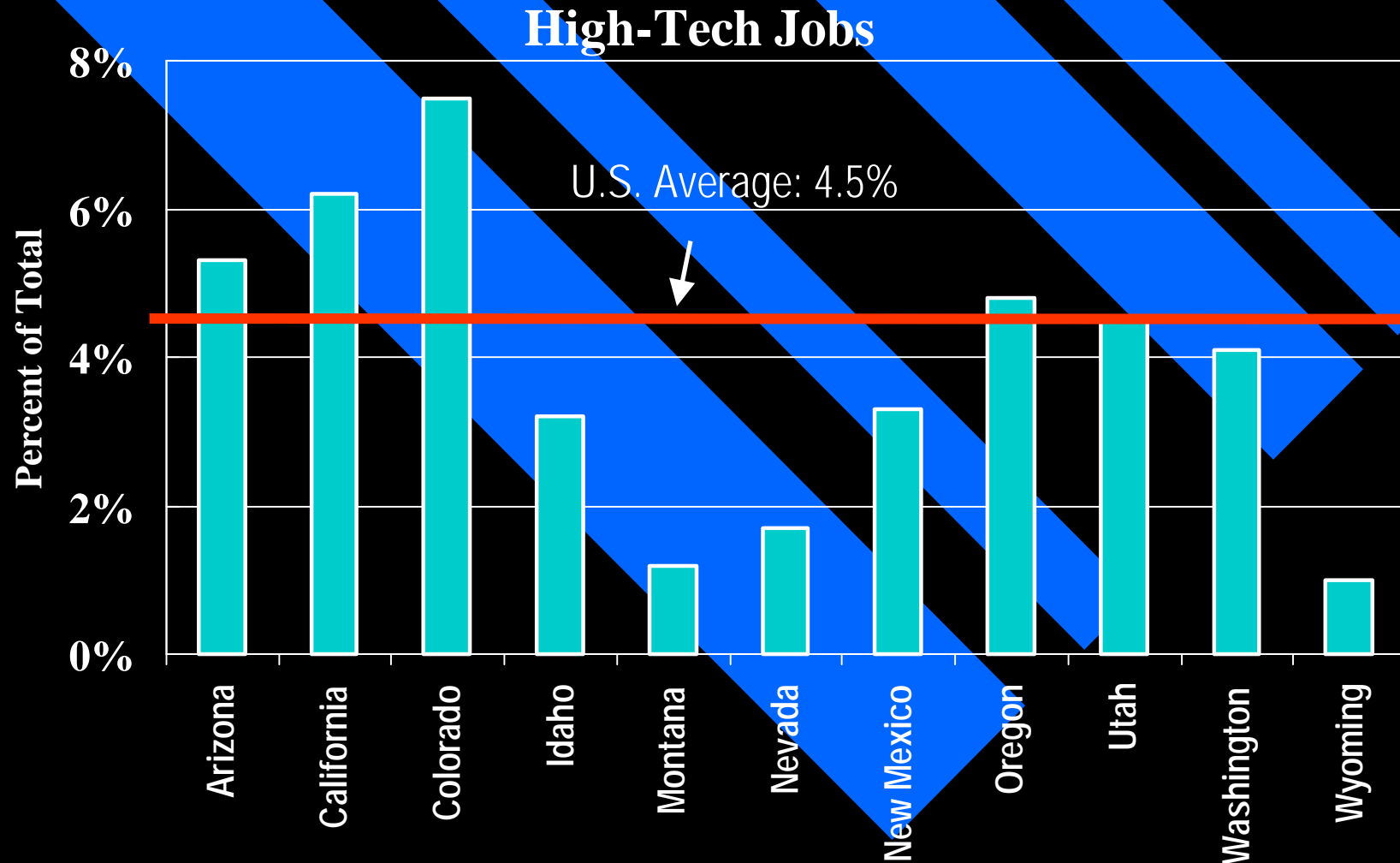
# State New Economy Scores

## Overall Scores



Source: The Progressive Policy Institute

# State New Economy Scores



Source: The Progressive Policy Institute

# Not just more jobs...but better jobs

Average Annual Pay

□ Average IT Wage

■ Average UT Wage



# 5 categories that best capture what is new about the New Economy:

- **“Knowledge jobs.”**

- Jobs held by managers, professionals, and technicians; and the educational attainment of the workforce.

- **Globalization.**

- The export orientation of manufacturing and foreign direct investment.

- **Economic dynamism and competition.**

- Number of jobs in fast-growing “gazelle” companies (companies with sales growth of 20 percent or more for four straight years);
- The rate of economic “churn” (a product of new business start-ups and existing business failures); and
- The value of initial public stock offerings (IPOs) by companies.

# 5 categories that best capture what is new about the New Economy: Cont'

- **The transformation to a digital economy.**
  - The percentage of adults online;
  - The number of “.com” domain name registrations;
  - Technology in schools; and
  - The degree to which state and local governments use information technologies to deliver services.
- **Technological innovation capacity.**
  - The number of high-tech jobs;
  - The number of scientists and engineers in the workforce;
  - The number of patents issued;
  - Industry investment in research and development; and
  - Venture capital activity.

# Characteristics Of Communities Where The New Economy Prosper

- Workforce
- Superior education system
- Quality of life
- Digital infrastructure
- Environment of entrepreneurship

# Environment Of Entrepreneurship

- New technology
- Venture capital
- Management talent
- Culture rewards risk taking
- New venture support services
- Reputation



# *Envision Utah: Working to Keep Utah Beautiful, Prosperous, and Neighborly*

- Public/private community partnership
- Striving to create a publicly supported growth strategy for the next 50 years
- Partnership includes 100+ partners from all facets of Utah life

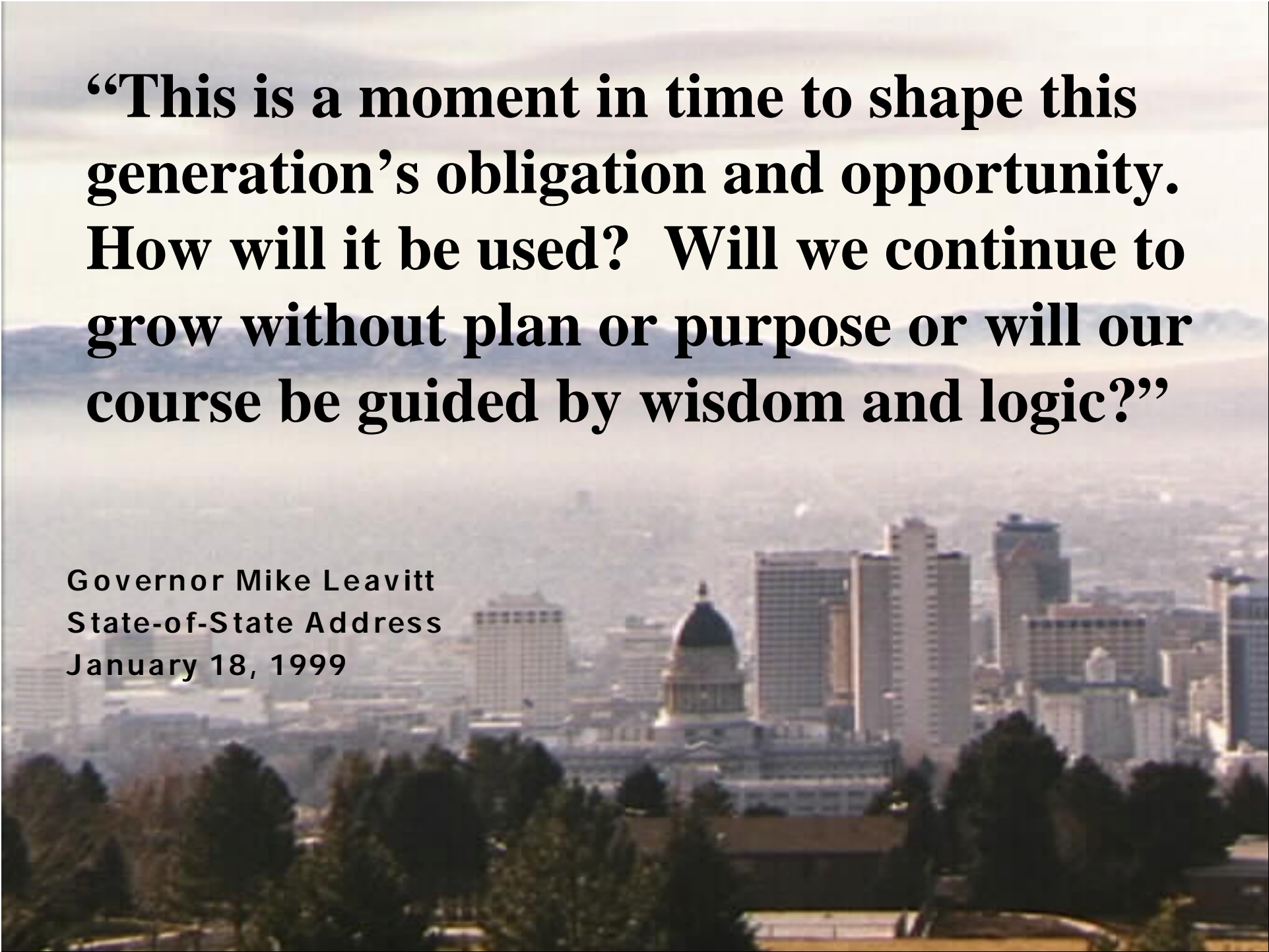


# Lessons Learned About Growth

- *Not about growth, but about quality*
- *In an environment of multiple urban cores growth cannot be managed by some sort of regional growth czar or some mystical regional solution arrived at by experts*
- *It must evolve at the local level*
- *Nobody should be left out*
- *The collaboration will be messy, difficult, and ... indispensable*
- *Understanding tradeoffs and seeking balance is key*
- *In the end, the community will be a more desirable place to call home*

***“ ... the only way we will ever arrive at a new and higher approach to our man-made and natural environment is if we all somehow achieve a new and higher level of cooperation.”***

Joel Garreau, *Edge Cities*

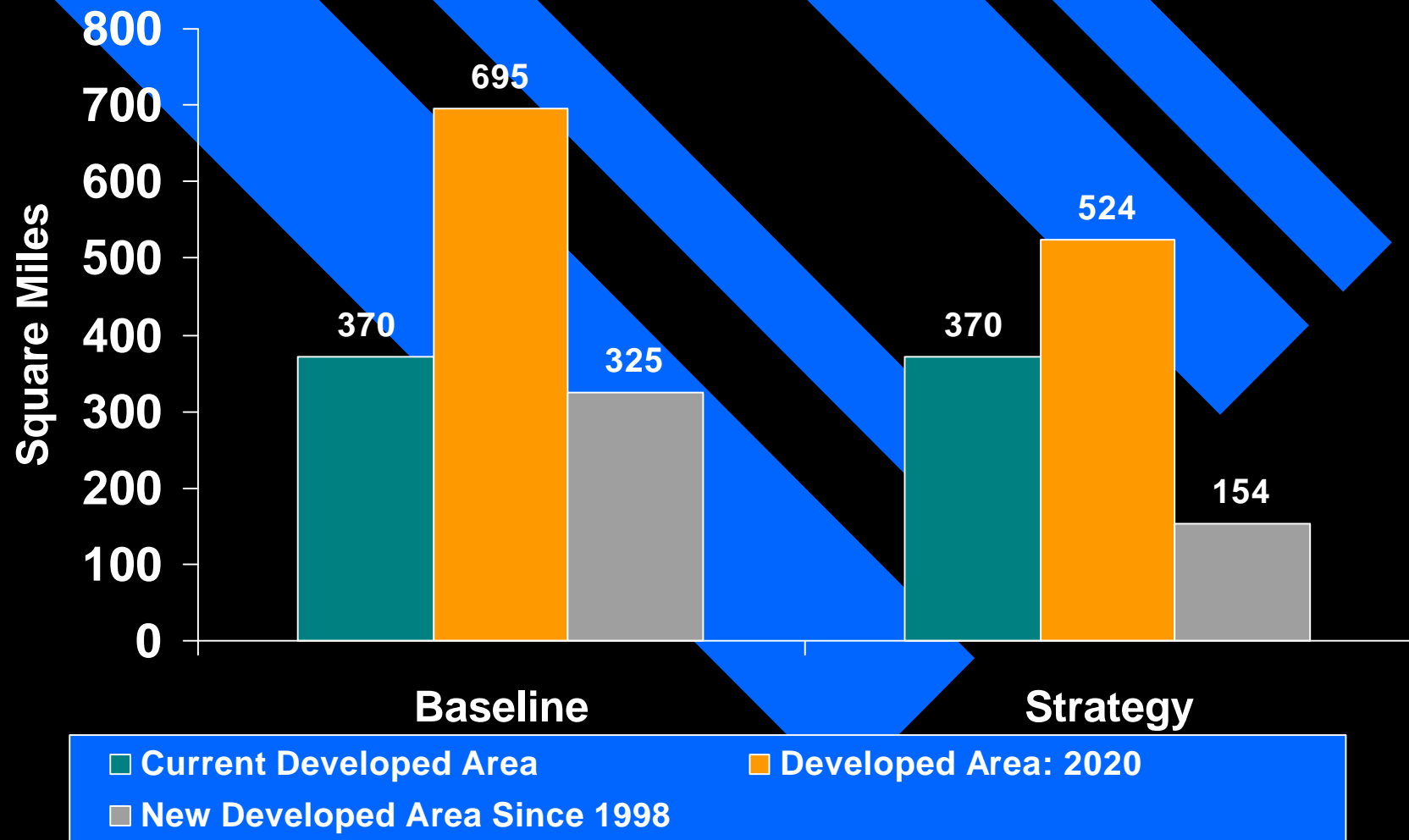


**“This is a moment in time to shape this generation’s obligation and opportunity. How will it be used? Will we continue to grow without plan or purpose or will our course be guided by wisdom and logic?”**

**Governor Mike Leavitt  
State-of-State Address  
January 18, 1999**



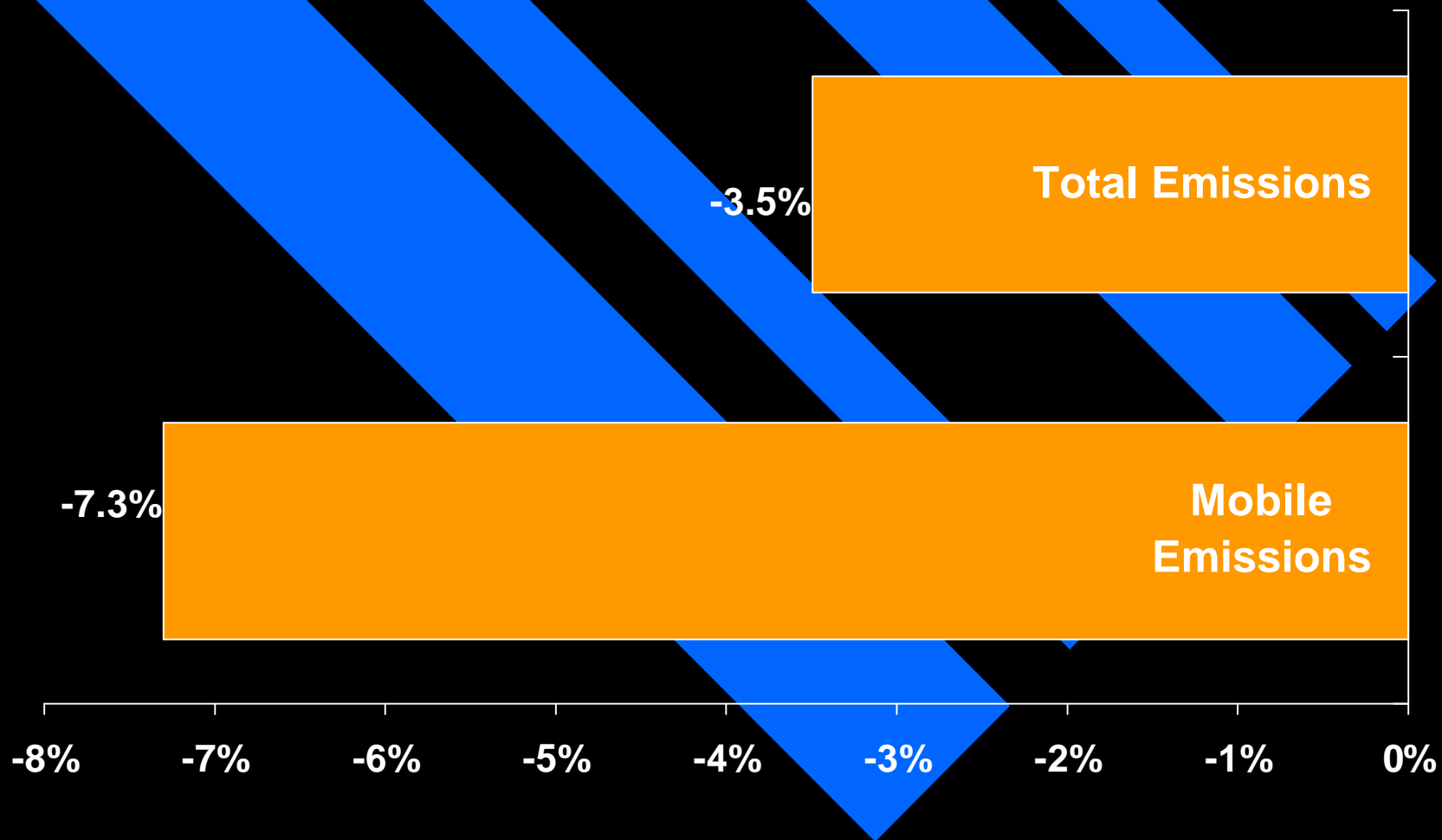
# Land Consumption





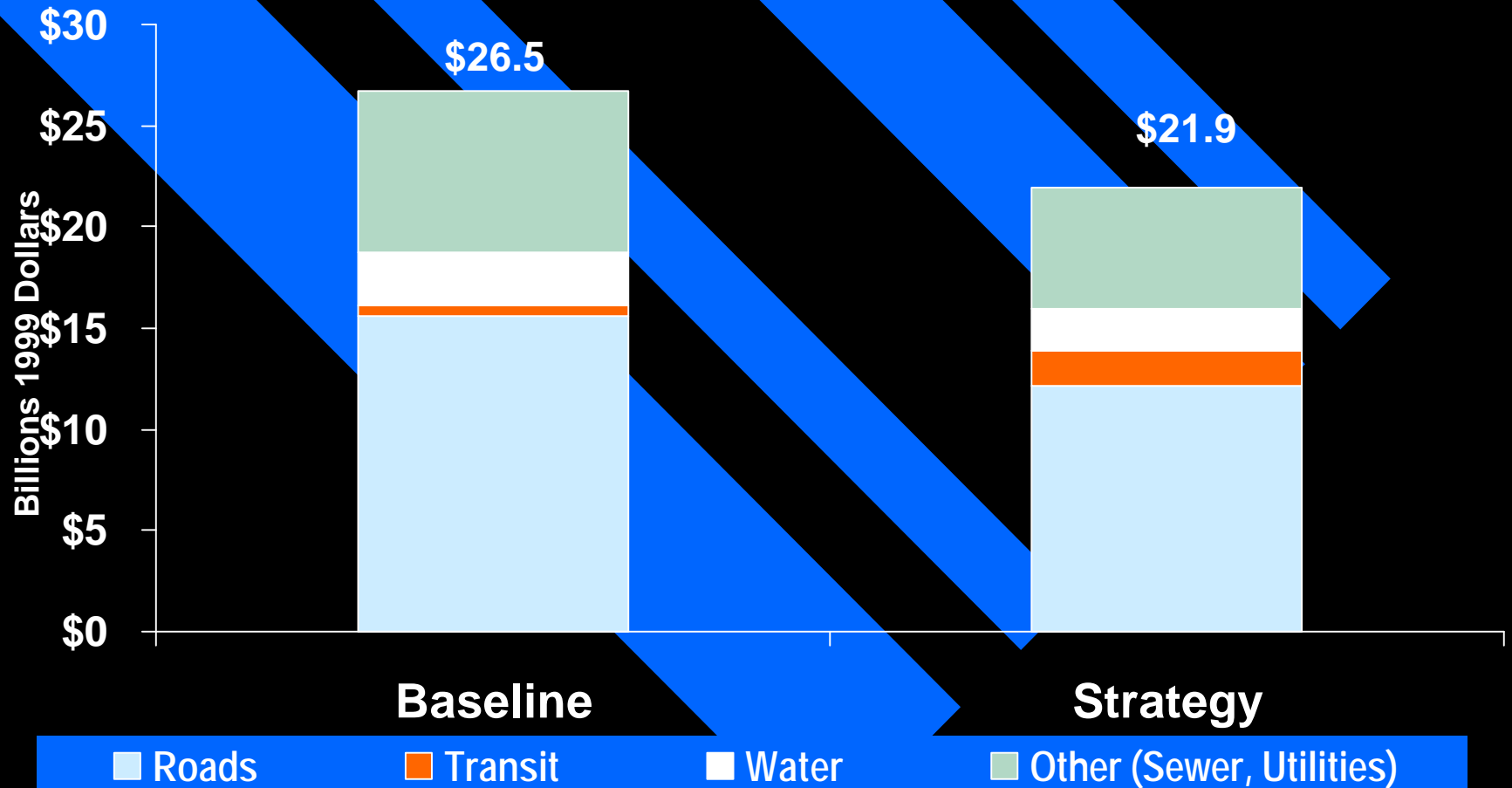
# Emissions Comparison

Percent Difference Between Strategy and Baseline: 2020





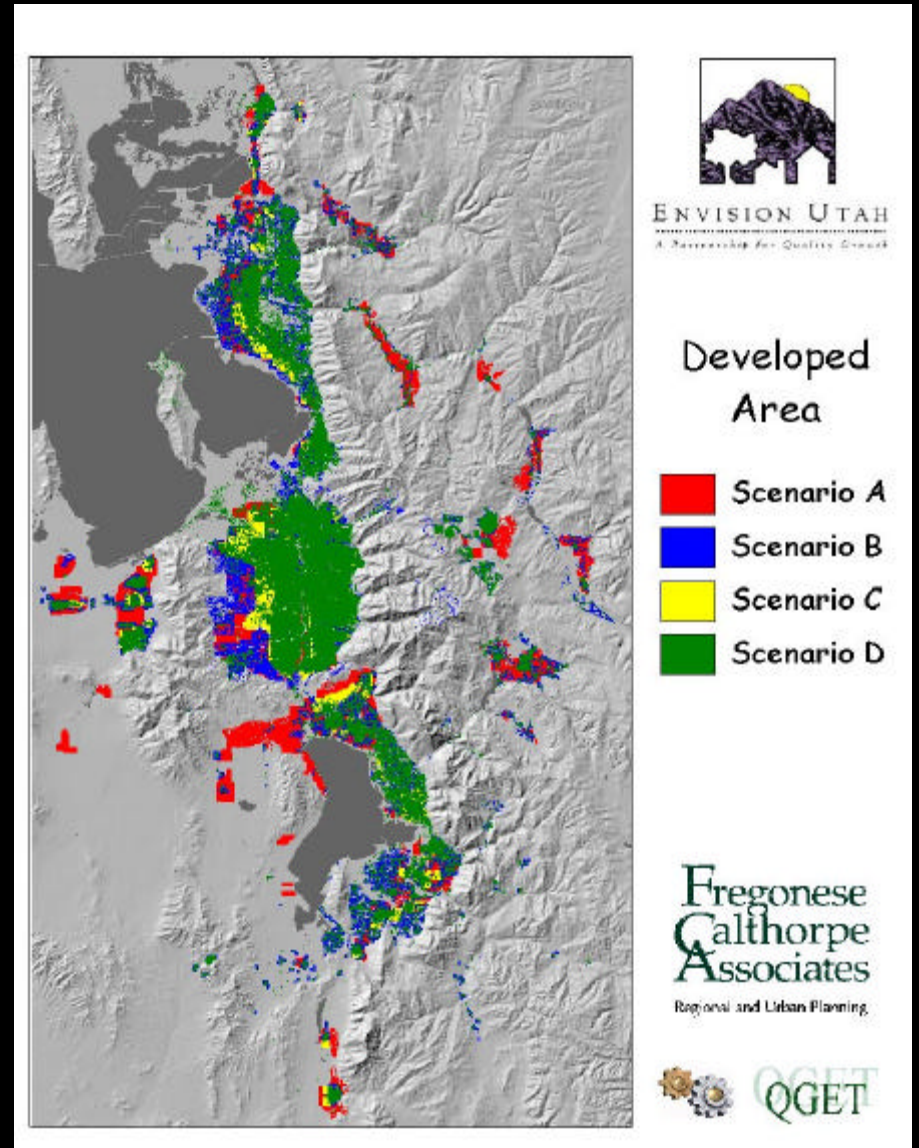
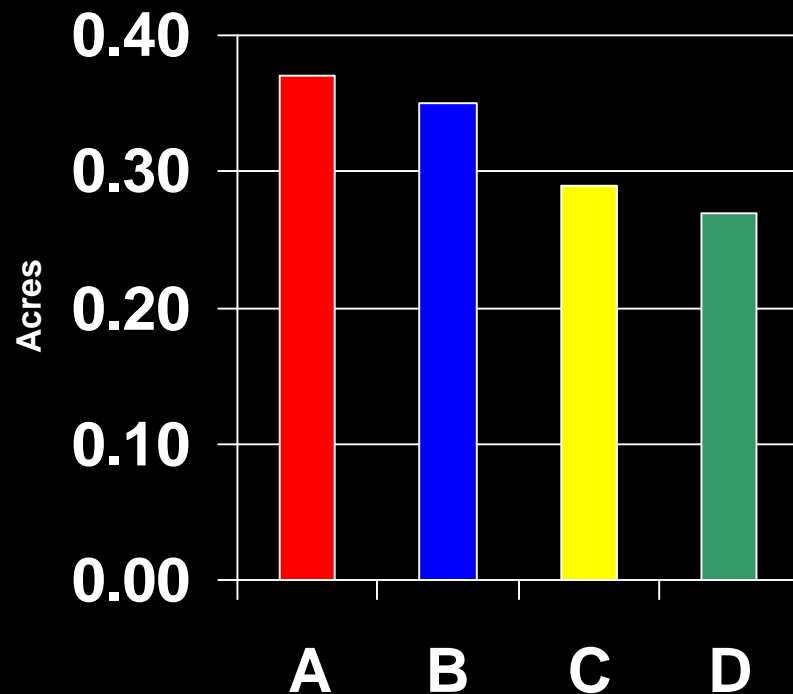
# Total Infrastructure Costs: 1998-2020





# Large Lot Size And Conservation Of Open Space

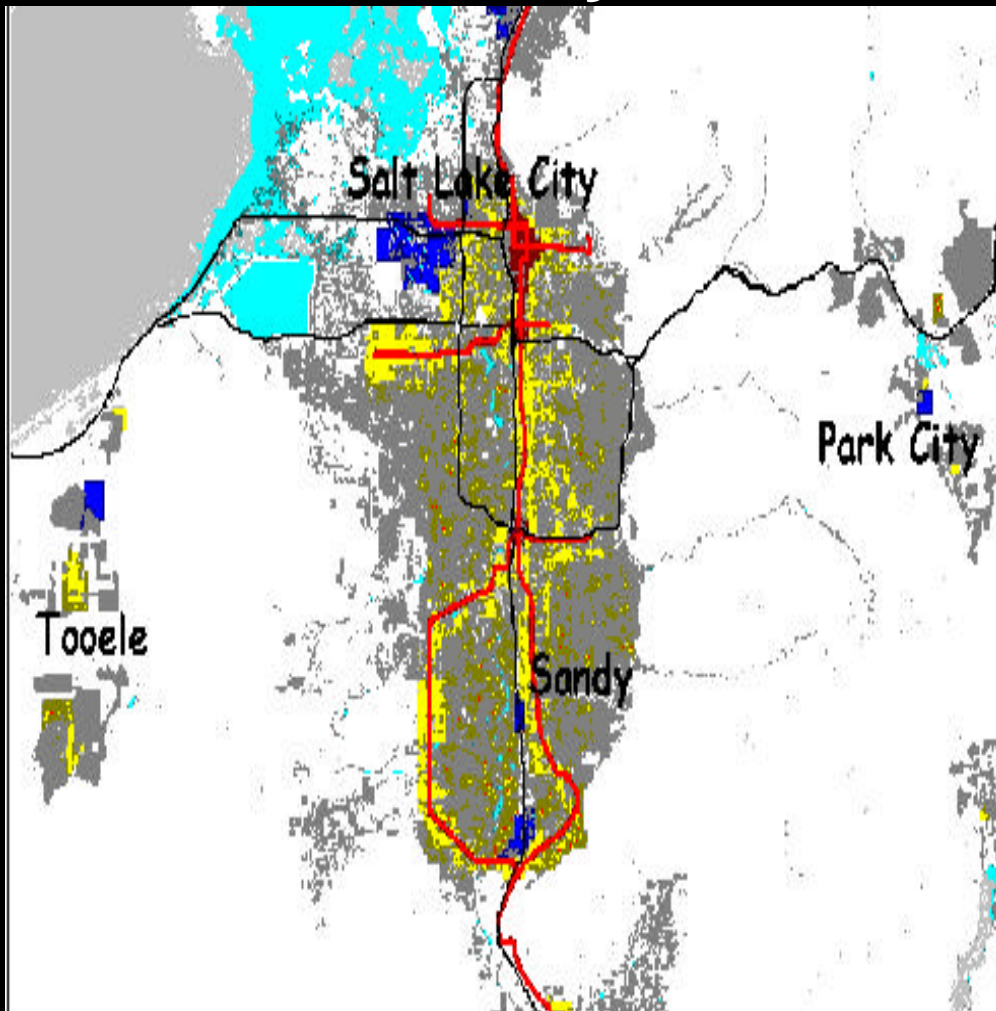
Average Single Family Lot Size



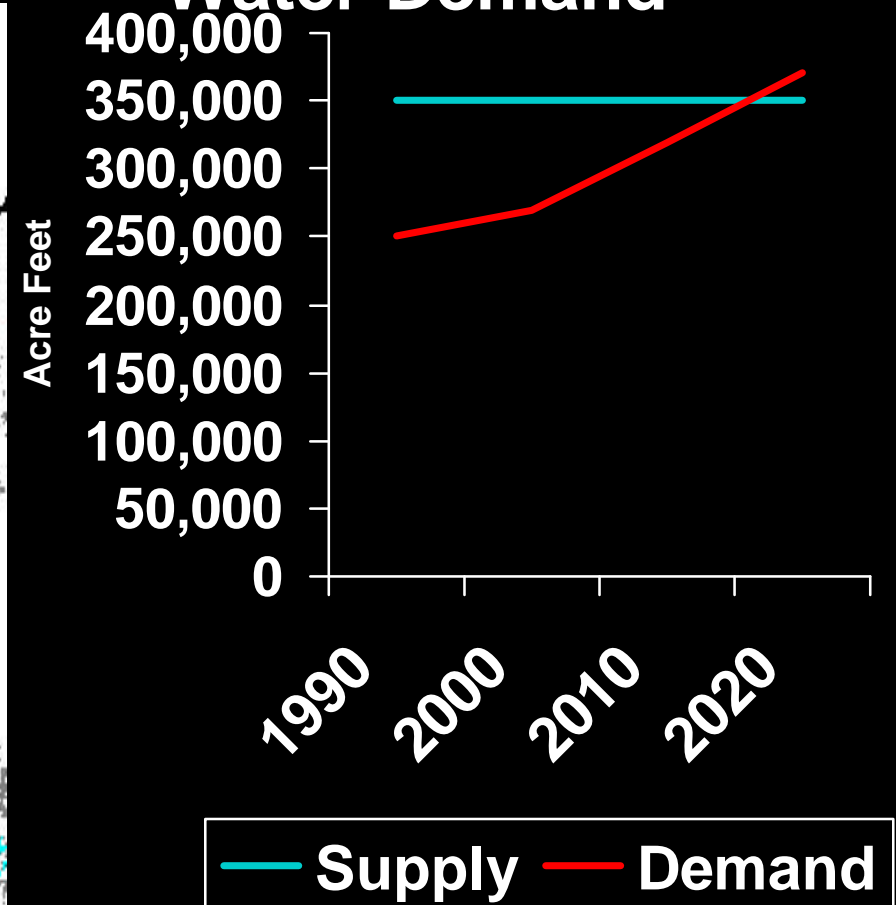


# Effective Transit and Water Supply

## Scenario D Transit and Density



## Salt Lake County Water Demand



# Linear Infrastructure Cost

Collector	\$6.2 Million per Mile
Minor Arterial	\$5.9 Million per Mile
Principal Arterial	\$15.5 Million per Mile
Water Transmission	\$690 Thousand per Mile
Water Distribution	\$273 Thousand per Mile
Sewer Transmission	\$70 per Foot
Storm Drain	\$40 per Foot

# We Need to Pay Relentless Attention to the Future

- Skate to where the puck is *going* to be
- All change doesn't mean progress; all progress requires change
- Become a generation of planners
- The best way to predict the future is to invent it

# NEED TO FOCUS ON

- Education
- Business Climate
- Younger Population
- Nurturing High Tech
- Physical Infrastructure
- Quality of Life

# Studies, Publications & Sources

- *The States New Economy Index-* Progressive Policy Institute
- *Governor's Strategies to Guide Growth-*National Governors Association
- *Nurturing Entrepreneurial Growth in State Economies-*NGA
- *Growing New Businesses with Seed & Venture Capital-*NGA
- [www.nga.org/center](http://www.nga.org/center)>
- [www.governor.state.ut.us/dea/qget](http://www.governor.state.ut.us/dea/qget)